

MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: Jennifer Steingasser, Deputy Director

DATE: October 19, 2012

SUBJECT: **Setdown Report** for ZC #11-03B, Southwest Waterfront Parcel 5
Second Stage Planned Unit Development

I. SUMMARY RECOMMENDATION

Hoffman-Struever Waterfront, LLC, has submitted an application for a Second Stage Planned Unit Development (PUD) to construct a mixed use building on Parcel 5 within the Southwest Waterfront. The building would include retail uses on the ground floor and two hotels and adjunct uses on the upper floors. The proposal is not inconsistent with the first stage PUD approval, the Comprehensive Plan, or the Zoning Regulations. The Office of Planning (OP), therefore, recommends that the application be set down for public hearing.

II. APPLICATION-IN-BRIEF

Location: Corner of 7th Street and Maine Avenue, SE

Ward and ANC: Ward 6, ANC 6D

Applicant: Hoffman-Struever Waterfront, LLC, dba Hoffman-Madison Waterfront

PUD-Related Zoning: C-3-C

Property Size: 60,025 sf

Proposal: Request for approval of a Second Stage PUD for the design of a mixed use building at Parcel 5 of the Southwest Waterfront.

Background: The Zoning Commission approved a First Stage PUD for the entire Southwest Waterfront (SWW) on October 17, 2011. That application established the PUD-related zoning for the property, the site plan, the general use mix, the general massing of buildings, the maximum heights for buildings and the maximum FAR for the entire development.

The Zoning Regulations describe a Second Stage PUD as a detailed review that examines the architecture of the proposed buildings, uses within the buildings, design of open spaces, site circulation, site infrastructure and compliance with the intent and purposes of the PUD process, the Regulations and the First Stage PUD. (§§ 2402.2(b), 2406.12 and 2408)

III. SITE AND AREA DESCRIPTION

The entire SWW project site is shown in the aerial photo below. The property is generally bounded on the north by the fish market, on the northeast east by Maine Avenue, and on the west by the proposed extent of the piers of the new development. To the south the SWW extends approximately to N Street.



Southwest Waterfront – Red dashed line indicates boundaries of the entire SWW project

The SWW site is currently developed with low-scale, large-format uses including restaurants, a hotel, a church and maritime-related uses, as well as related underground and surface parking. Water Street, which is legally closed but still open to traffic, provides the primary vehicular access. Maine Avenue and 7th, 9th and M Streets provide auto access to other areas of the city. The Waterfront and L'Enfant Plaza metro stations are within walking distance of the property. The surrounding neighborhood is developed with a mix of housing types as well as churches, schools, the Fish Market and Arena Stage. Office uses are clustered around the Waterfront Metro, where additional residential and office development is underway or approved. To the

north of the SWW site, the L'Enfant Promenade connects Banneker Overlook to the National Mall.

The subject site for the current application is one parcel within the SWW, as shown below.



Southwest Waterfront Parcel 5 – Red dashed line indicates boundary of the current application

The parcels to the north of Parcel 5, as well as the designs for Maine Avenue, the wharf, and the 7th Street Park, are the subject of case #11-03A, currently under consideration by the Commission. If approved as currently proposed, Parcel 4 would consist of apartments and condos as well as a significant amount of retail at ground level. Parcels 4 and 5 would be separated by Jazz Alley, a mews street intended to be lined with entertainment-related uses. Maine Avenue would have improved pedestrian and bicycle amenities and significant landscaping, as well as space for outdoor retail activities. The 7th Street Park would replace existing hardscaping and Water Street with a large lawn and trees, as well as space for limited vehicular circulation. The wharf would generally be 60 feet wide, with three different zones: a café zone next to the buildings; a shared zone for pedestrians, bicycles and limited auto traffic; and a promenade zone for strolling, sitting, access to the waterside, and kiosk-type retail. Auto traffic on the wharf is expected to be minimal, and for special events it can be closed to cars completely.

Across Maine Avenue from Parcel 5 is the Jefferson Middle School and a low-scale office building. Diagonally across the intersection of 7th Street and Maine Avenue is a church. In the first stage PUD, the Commission approved a 130 foot tall residential-or-office building across 7th

Street Park on Parcel 6. Details of the design of that building will be established in a future second stage PUD.

IV. PROJECT DESCRIPTION AND ANALYSIS

The development on Parcel 5 would consist of a 110 foot tall building with a retail ground floor and two hotels above. The hotels would form a “C” shape with the open end facing the Washington Channel. The applicant proposes a ten-story extended stay hotel on the 7th Street side of the building, and a nine-story limited service hotel on the Jazz Alley and Maine Avenue sides of the building.

The second floor would house hotel lobbies and amenities, as well as an open courtyard between the hotel wings. Additional open space at the second level would be located at the north side of the site, where the hotel tower is set back from Jazz Alley. The applicant has verbally stated that the hotel courtyards would be open to the public, whether or not they are paying customers of the hotels or the hotels’ restaurants. This commitment will help to make Parcel 5 a focal point for the Wharf, and help to activate the waterfront promenade in front of Parcel 5.

The second floor courtyards would be accessed by the public from a staircase leading up from the 7th Street Park. Earlier designs for the building shown to OP had an additional staircase facing the wharf, which would have added to the activity levels of the wharf and the courtyards of the hotel, but current designs have only the 7th Street stair. OP preferred the wharf staircase, but recommends that the 7th Street staircase be made more inviting so that members of the public feel welcome at the elevated open spaces of the building.

At the ground level, retail would wrap almost the entire building, which will help activate the surrounding open spaces. Renderings such as Sheet 1.31 show retail tenants with individual awnings, but without customization of the actual façade of the building. OP would support the ability of individual retailers to alter the façades of their establishments in order to break up the monotony of the building face and create a more pleasing pedestrian environment. A service alley would cut through the ground floor of Parcel 5 to provide access to parking and loading, and to allow for vehicular circulation in the event that the wharf is closed to traffic. The design provides some architectural detail for this area, realizing that it could serve as an entrance for hotel guests, but more information should be provided about lighting for the passageway. For the building as a whole more information should be provided about external lighting prior to a public hearing.

The hotel towers provide some relief from typical rectilinear architecture with a sawtooth edge facing the 7th Street Park and an angle in the northern tower (Sheet 1.13); Visual interest should provide a more pleasing pedestrian environment. At the roof level the design proposes a significant amount of green roof (Sheet 1.45). Mechanical and architectural penthouses would extend from the Maine Avenue façade to the wharf façade. Setbacks are considerable from 7th Street and Jazz Alley, but there is no setback from the internal courtyard, for which the application requests relief (see Section VI of this report for more information). OP recommends

that the applicant examine the penthouses for opportunities to set back from internal walls, if even a small distance, to provide relief from the vertical expression of those walls. Overall, OP supports the design for Parcel 5, which would positively add to the character and activity of the Wharf.

V. COMPREHENSIVE PLAN

The Commission found during its review of the first stage PUD that the SWW project is not inconsistent with the Comprehensive Plan. OP finds that the current second stage PUD application is generally consistent with the first stage as approved and does not detract from project's correlation with the tenets of the Plan.

The proposal would further a number of the Plan's Guiding Principles and major policies from Plan elements such as the Land Use; Transportation; Economic Development; Urban Design; and Lower Anacostia Waterfront / Near Southwest Area Elements. The application is also not inconsistent with the Plan's Generalized Land Use Map or the Future Land Use Map. The proposal is also consistent with the Development Plan & Anacostia Waterfront Initiative Vision for the Southwest Waterfront (the SWW Plan). For a complete analysis of the project against relevant planning policies, please refer to Attachment 1.

VI. ZONING

In the first stage PUD, the Commission approved PUD-related zoning of C-3-C for the northern portion of the project, including Parcel 5. Also in the first stage PUD, the Commission granted zoning flexibility for the exact mix of uses, within certain ranges. The current proposal is consistent with the approved zoning as well as the uses approved in the first stage PUD.

The current second stage application requests flexibility from the specific zoning regulations listed below. A summary of each area of relief is given and OP will provide a complete analysis of the requested flexibility at the time of the public hearing.

1. Roof Structure Setback Requirements (§ 411)

The application requests flexibility for the setback of the mechanical penthouses from the interior courtyard of the building. Significant setbacks are provide on the 7th Street and Jazz Alley sides of the building; the design describes the Maine Avenue and wharf ends of the penthouses as architectural embellishments (Sheet 1.45).

2. Loading Requirements (§ 2201)

The application requests flexibility from loading requirements for the project as shown in the table below. Please refer to pages 13 and 14 of the written statement and Sheet 1.40.

Facility Type	Required	Provided
55 Foot Berths	2	0
30 Foot Berths	2	3
20 Foot Delivery Spaces	2	2
100 sf Loading Platforms	2	One 660 sf loading platform
200 sf Loading Platforms	2	

In general OP does not object to relief from loading, provided the applicant justifies the reduction in size or number of facilities and commits to loading management techniques such as limited loading hours and a loading coordinator for each building.

3. Other Minor Flexibility

The application also requests other minor flexibility that is often included as part of PUD applications. This includes the ability to vary interior components; vary the location of guestrooms; vary the exact selection of exterior materials; vary landscaping materials; and make minor refinements to exterior details.

VII. PURPOSE AND EVALUATION STANDARDS OF A PUD

The purpose and standards for Planned Unit Developments are outlined in 11 DCMR, Chapter 24. The PUD process is “designed to encourage high quality developments that provide public benefits.” Through the flexibility of the PUD process, a development that provides amenity to the surrounding neighborhood can be achieved.

The applicant is requesting approval of a second stage PUD. The PUD standards state that the “impact of the project on the surrounding area and upon the operations of city services and facilities shall not be unacceptable, but shall instead be found to be either favorable, capable of being mitigated, or acceptable given the quality of public benefits in the project” (§2403.3). Based on comments to be supplied by referral agencies, OP will provide at the time of the public hearing an analysis of the project’s impact on city services.

VIII. PUBLIC BENEFITS AND AMENITIES

Sections 2403.5 – 2403.13 of the Zoning Regulations discuss the definition and evaluation of public benefits and amenities. In its review of a PUD application, §2403.8 states that “the Commission shall judge, balance, and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects according to the specific circumstances of the case.” Sections 2403.9 and 2403.10 state that a project must be acceptable in all the listed proffer categories, and must be superior in many. To assist in the evaluation, the applicant is required to describe amenities and benefits, and to “show how the public benefits offered are superior in quality and quantity to typical development of the type proposed...” (§2403.12).

The first stage PUD included a number of benefits, including urban design, affordable housing, workforce housing, the creation of a BID, First Source Employment and CBE agreements, funding for a workforce intermediary program, coordinating apprenticeships with the construction contractor, setting aside space for local or unique retailers, and environmental design. As part of the first stage PUD, the Commission required that the applicant prepare an implementation chart with each subsequent second stage PUD. That chart is shown at Exhibit D of the written statement. Benefits are also described beginning on page 14 of the written statement. The benefits proffered with the current application are consistent with the first stage approval, and are described briefly below. While some of the benefits are not specific to Parcel 5 (affordable housing, for example), the application states that the benefits listed for ZC #11-03A “also apply to this Stage 2 PUD application for Parcel 5” (Written Statement, p. 15); In the first stage PUD order, Parcels 2 through 5 were all considered part of “Phase 1” of the SWW. OP will provide a complete analysis of all benefits should the Commission choose to setdown the application.

1. Affordable and Workforce Housing

Although no housing is proposed for Parcel 5, Phase I of the SWW and the entire SWW project would provide significant levels of income-restricted housing. Affordable housing is being provided on various parcels within the SWW consistent with the first stage PUD approval. The project will provide a total of 160,000 square feet of affordable housing on Parcels 1 through 10, plus IZ housing at Parcel 11. In addition, an estimated 140,000 square feet of workforce housing could be provided throughout the project.

2. Environmental Design

The written statement (p. 17) indicates that the development would achieve LEED Gold – ND (Neighborhood Development) standards, and that the Parcel 5 building would achieve LEED Silver ratings or higher in the NC (New Construction) or CS (Core and Shell) or CI (Commercial Interior) categories. These standards are consistent with the first stage approval.

3. Business Improvement District

The proposed business improvement district, or project association, would be responsible for maintenance of private roadways, alleys, bicycle paths, promenade, sidewalks, piers, parks, and signage within the overall SWW boundary. The association would also be responsible for event programming at the SWW. The developer would create the association initially, and then it would be funded by assessments to each use in the project.

4. CBE and First Source Employment Agreements and Related Actions

As noted in the first stage PUD, the applicant has entered into a CBE agreement with the Department of Small and Local Business Development (DSLBD), which requires 35% participation by CBE firms in the project development costs. The applicant has already begun,

with the help of DSLBD, to employ CBE firms for some pre-development tasks. OP has requested that the applicant update the Commission on the effectiveness and success of these efforts prior to or at the public hearing.

The applicant also committed to reserve 20% of the retail space in the SWW project for unique or local retailers. In addition, the application states that kiosks along the wharf and in other open spaces could be leased to start-up retailers (Written Statement, p. 16). The application does not describe whether any of the unique or local retail space would be located at Parcel 5.

The applicant has also committed to help fund a workforce intermediary program with a total contribution of \$1,000,000, \$250,000 of which has already been paid. The balance, according to Exhibit D of the written statement, is due when the applicant closes on the land lease with the District, which must occur before construction begins. First stage PUD proffers also include the establishment of apprenticeship programs in the construction trades.

5. Other Benefits

In addition to the above-referenced benefits other benefits will begin to be implemented during construction of the second stage PUD, including the urban design of the project, improvements to Maine Avenue, reservation of private property along Maine Avenue for additional public space, construction of temporary dock facilities including utility connections, and the inclusion of approximately 1,450 bicycle parking spaces.

The Office of Planning feels that the information regarding benefits and their implementation are sufficient for setdown and that they are generally consistent with the first stage approval.

IX. AGENCY REFERRALS

If this application is set down for a public hearing, the Office of Planning will consult with the following government agencies for review and comment:

- Department of the Environment (DDOE);
- Department of Transportation (DDOT);
- Department of Housing and Community Development (DHCD);
- Department of Employment Services (DOES);
- Department of Parks and Recreation (DPR);
- Department of Public Works (DPW);
- DC Public Schools (DCPS);
- Fire and Emergency Medical Services Department (FEMS);
- Metropolitan Police Department (MPD); and
- DC Water.

X. COMMUNITY COMMENTS

The site is located in ANC 6D. The applicant has held many community meetings and is expected to continue their outreach efforts to the neighborhood.

XI. SUMMARY OF OP COMMENTS

OP supports the overall design for Parcel 5 and feels that it will contribute positively to pedestrian activity and the overall vitality and mix of uses of the SWW. The proposal is in conformance with the First Stage PUD and is not inconsistent with the Comprehensive Plan, so OP therefore recommends setdown of the application. The following summarizes OP comments from this report, all of which can be addressed prior to a public hearing.

OP Comment	Planning and / or Zoning Rationale
<p>Make more inviting the staircase from the 7th Street Park to the building's internal courtyard; Consider making the passage taller, wider and brighter; As supplementary changes, also consider adjusting the tread width and using special pavers in the park to indicate that this is a place of entrance and accessibility.</p>	<p>The Wharf needs vantage points, or places where the public can enjoy, free of charge, elevated views over the water and the public spaces; Vantage points would serve to activate surrounding pedestrian areas and serve as an additional attraction for visitors to the Wharf.</p>
<p>Commitment by the applicant to allow free, public access to the hotel courtyards will help to make Parcel 5 a focal point for the Wharf, and help to activate the waterfront promenade in front of Parcel 5.</p>	<p>Public access to elevated vantage points would help activate pedestrian areas at ground level, and provide an attractor for tourists or visitors. The applicant has verbally committed to provide access.</p>
<p>Provide more information about customization of the retail façades.</p>	<p>Customization would help alleviate monotony of a continuous building façade and would improve the pedestrian environment.</p>
<p>Provide more information about lighting in the internal passageway.</p>	<p>The design anticipates that the internal passageway could be used for access by both guests and employees of the hotels, and for parking, loading and back-of-house access. Lighting is an important component of making the space inviting and safe for pedestrians.</p>
<p>Provide more information about external lighting for the entire building.</p>	<p>External lighting for the building will determine how it is viewed at night from the surrounding neighborhood, from the water, and from adjacent open spaces.</p>
<p>Provide some relief for mechanical penthouses at the courtyard wall.</p>	<p>The penthouse wall that is directly above the main wall of the building gives the impression of height above the 110 feet approved by the Commission in the first stage PUD. Even a small setback would break the visual line of the building.</p>
<p>Provide an update on efforts to reach out to and employ CBE firms.</p>	<p>The growth of CBE firms will help increase employment and economic development in the District.</p>

Describe whether any of the unique or local retail would be located at Parcel 5.

A mix of retailing types would add to the vibrancy of the Parcel 5 development and increase pedestrian activity.

XII. ATTACHMENT

1. Comprehensive Plan Analysis
 - A. Guiding Principles
 - B. Plan Policies
 - C. Land Use Maps
 - D. Development Plan & AWI Vision for the Southwest Waterfront

JS/mrj

Attachment 1 Comprehensive Plan Analysis

A. GUIDING PRINCIPLES

The proposal would further the following Guiding Principles of the Comprehensive Plan, as outlined and detailed in Chapter 2, the Framework Element:

- (1) Change in the District of Columbia is both inevitable and desirable. The key is to manage change in ways that protect the positive aspects of life in the city and reduce negatives such as poverty, crime, and homelessness. 217.1
- (5) Much of the growth that is forecast during the next 20 years is expected to occur on large sites that are currently isolated from the rest of the city. Rather than letting these sites develop as gated or self-contained communities, they should become part of the city's urban fabric through the continuation of street patterns, open space corridors and compatible development patterns where they meet existing neighborhoods... 217.5
- (6) Redevelopment and infill opportunities along corridors and near transit stations will be an important component of reinvigorating and enhancing our neighborhoods. Development on such sites must not compromise the integrity of stable neighborhoods and must be designed to respect the broader community context. Adequate infrastructure capacity should be ensured as growth occurs. 217.6
- (7) Growth in the District benefits not only District residents, but the region as well. By accommodating a larger number of jobs and residents, we can create the critical mass needed to support new services, sustain public transit, and improve regional environmental quality. 217.7
- (10) The recent housing boom has triggered a crisis of affordability in the city, creating a hardship for many District residents and changing the character of neighborhoods. The preservation of existing affordable housing and the production of new affordable housing both are essential to avoid a deepening of racial and economic divides in the city. Affordable renter- and owner-occupied housing production and preservation is central to the idea of growing more inclusively. 218.3
- (13) Enhanced public safety is one of the District's highest priorities and is vital to the health of our neighborhoods.... 218.6
- (24) Despite the recent economic resurgence in the city, the District has yet to reach its full economic potential. Expanding the economy means increasing shopping and services for many District neighborhoods, bringing tourists beyond the National Mall and into the city's business districts, and creating more opportunities for local entrepreneurs and small

businesses. The District's economic development expenditures should help support local businesses and provide economic benefits to the community. 219.9

- (27) Washington's wide avenues are a lasting legacy of the 1791 L'Enfant Plan and are still one of the city's most distinctive features. The "great streets" of the city should be reinforced as an element of Washington's design through transportation, streetscape, and economic development programs. 220.3
- (30) Residents are connected by places of "common ground," such as Union Station and Eastern Market. Such public gathering places should be protected, and should be created in all parts of the city as development and change occurs. 220.6

B. PLAN POLICIES

The application is also consistent with major policies from various elements of the Comprehensive Plan, including the Land Use; Transportation; Economic Development; Parks, Recreation and Open Space; Urban Design; and Lower Anacostia Waterfront / Near Southwest Area Elements.

Land Use Element

The Land Use Element calls for the reuse of large, publicly owned sites, and says that their redevelopment should improve their neighborhoods, provide improved waterfront access, where applicable, and provide new parks (Policy LU-1.2.1). Policy LU-1.2.2 says that the mix of uses on such sites should be compatible with existing uses and provide benefits to the immediate and larger communities. In conformance with Policy LU-1.2.6, the proposed design seeks to integrate into the existing urban fabric to the greatest extent possible. The Land Use Element also encourages infill development and development near metro stations (Policies LU-1.3.1 and LU-1.3.2).

Transportation Element

The Transportation Element supports transit-oriented development and discourages auto-oriented uses (Policies T-1.1.4 and T-1.2.3). The proposed development would concentrate hotel uses within walking distance of Metro and bus service, and provide a walkable and bikeable environment. This element also seeks to improve major boulevards through "transportation, economic development, and urban design improvements" (Policy T-1.2.1) The proposed design would also improve the pedestrian network and pedestrian safety, as called for in Policies T-2.4.1 and T-2.4.2.

Economic Development Element

Development of the subject site would help achieve the several Economic Development Element policies. A mix of uses along the waterfront would help draw visitors away from the Mall, and

the waterfront itself would be an attraction for tourists. New restaurants would also capture tourist dollars. A variety of hotels within the project would provide price ranges for different travelers, and would provide more hotel rooms in the District and near major attractions. Please refer to Policies ED-2.3.1 through ED-2.3.4.

Urban Design Element

Policy UD-1.1.1 calls for the District to enhance its “image, character and outstanding physical qualities...in a manner that reflects its role as the national capital.” The proposed development would improve the southwest waterfront to a state that it could not only be an amenity for residents but would also improve the city’s image in the eyes of visitors to the District. The Urban Design Element also calls for the general improvement of waterfront areas, including improving access and strengthening the civic identity as a waterfront city (Policies UD-1.3.1 and UD-1.3.2). Policy UD-1.3.5 also states that views toward the rivers should be protected and enhanced. The proposed development would provide ground level views, and provides many upper-story views toward the Washington Channel. This element also speaks to reinforcing major boulevards, such as Maine Avenue, and to creating successful developments on large sites and integrating them into existing neighborhoods. Both of these objectives can be achieved by the proposed development.

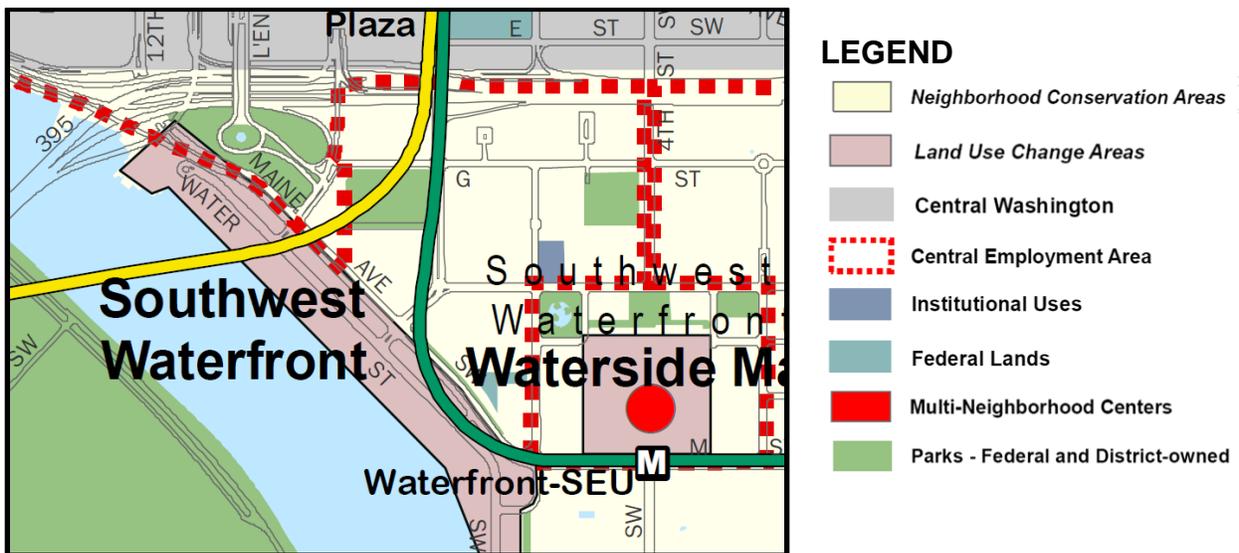
Lower Anacostia Waterfront / Near Southwest Area Element

The Lower Anacostia Waterfront / Near Southwest Area Element encourages the creation of new waterfront neighborhoods on large, contiguous, publically owned sites, including the Southwest Waterfront (Policy AW-1.1.2). Policy AW-1.1.3 states that development should be “consistent with the Future Land Use Map”, provide space for offices and hotels, and focus development along corridors such as Maine Avenue. The proposed mix of uses would meet that policy and the placement of a building along Maine Avenue would reinforce that important corridor.

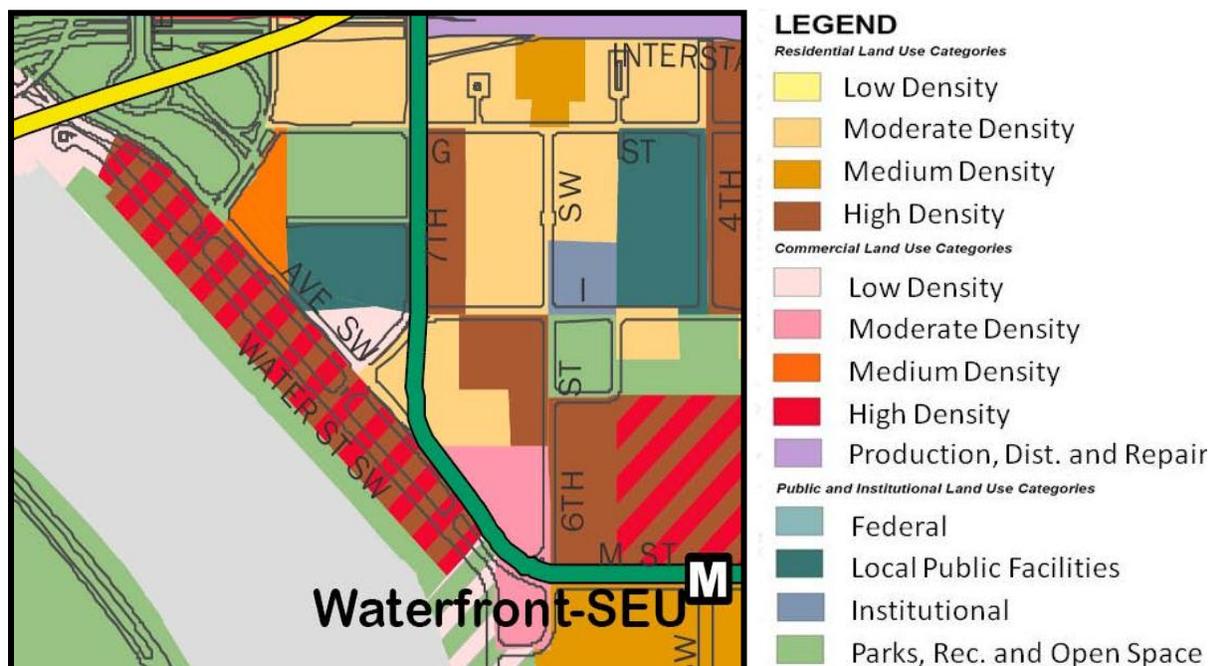
New developments in this area should provide amenities, such as parks and transportation and infrastructure improvements (Policy AW-1.1.4), and should provide significant pedestrian and multi-modal access along the shoreline (Policies AW-1.1.6 and .7). The design of the proposed building supports that policy direction. Policy AW-1.1.9 seeks the improvement of Maine Avenue as a “graciously landscaped urban [boulevard]...designed with generous pedestrian amenities, public transit improvements, landscaping, and ground floor uses that create a vibrant street environment.” The proposed design, which would reserve 15 feet of the subject site to, in effect, widen the right-of-way, envisions an improved Maine Avenue with continuous parallel parking and improved pedestrian and bike facilities. Ground floor uses would help to activate Maine Avenue. The proposal is consistent with the policies of the Lower Anacostia Waterfront / Near Southwest element of the Comprehensive Plan.

C. LAND USE MAPS

The Comprehensive Plan's Generalized Policy Map describes the subject site as a Land Use Change Area. Land Use Change Areas are anticipated to become "high quality environments that include exemplary site and architectural design and that are compatible with and do not negatively impact nearby neighborhoods (Comprehensive Plan, § 223.12).



The Future Land Use Map (FLUM) indicates that most of the site is appropriate for high density residential and commercial mixed use.



D. DEVELOPMENT PLAN & AWI VISION FOR THE SOUTHWEST WATERFRONT

The Development Plan & Anacostia Waterfront Initiative Vision for the Southwest Waterfront (SWW Plan) is a small area plan adopted by the city council in 2003. Like any small area plan, it works together with and supplements the Comprehensive Plan. In most instances the SWW Plan gives more detailed direction and guidance than the Comprehensive Plan.

The SWW Plan has a number of guiding principles that form the basis of the Plan's policies. The guiding principles include improving access to the waterfront – including the provision of a wide promenade, improving access to the water itself, enhancing connections to the existing neighborhood, and creating new public places and a neighborhood setting (SWW Plan, p. 2-1). More detailed recommendations include varied building heights, concentrating commercial uses near the north of the property, and having a strong mix of uses including a significant affordable housing component. The development proposed with this PUD would not be inconsistent with these broad themes.